

RESTRICTED

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OGC Has Reviewed

Chief, Administrative Services

7 September 1951

Office of the General Counsel

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Lease No. []

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1. In connection with the sale of the leased premises by the lessor, [] we have reviewed the copy of the Deed of Bargain and Sale and the Assignment of Lease. This is not a certified copy of the deed, but we have checked the records in Alexandria and found it recorded in [] at page []. The deed appears to be in order. The Assignment of Lease is carelessly drawn, but adequate.

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2. There are various discrepancies in the correspondence received from the lessor. In his letter of July 31, 1951, Mr. [] stated that he had sold the property to [] and Company, whereas the purchaser appears elsewhere as []. Also, it appears, from a comparison of handwriting, that this letter of July 31 was not actually signed by Mr. []. The letter also fails to include []. Likewise, the letter of August 11, 1951, from Attorney [] improperly identifies the leased premises.

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3. It is noted that the lease provides only for a lease "from year to year" from 30 June 1951 to 30 June 1954, while from 30 June 1954 forward the Government has an option to renew each year on the giving of 30 days' notice. It seems likely that it was really the intent of the parties to give the Government such an option from June 1951 forward. However, a lease "from year to year," as provided in clause 3 of the lease, is terminable in Virginia by either party on three months' notice in writing.

4. If this lease has not been recorded, consideration should be given to doing so, since the law of Virginia requires leases of more than five years to be recorded, to protect against purchasers for value without notice. However, there may be security objections to recordation.

25X1A 5. There is a deed of trust on this property from [] to secure a bearer note of \$300,000.00, bearing interest at 4 1/2% for 15 years. This note is payable at the American Security & Trust Company in monthly installments of \$1750.00. The deed of trust is recorded in []

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6. Before any payments are made to [] she should be required to affirm and assume in writing the lease and its amendments.

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